

Old Age, Disability, Death

First law: 1919.

Current laws: 1956 (old age pension), 1959 (survivor pensions), 1966 (disability pension for employed persons), 1998 (disability pension for unemployed workers), 1998 (disability assistance for handicapped young persons).

Type of program: Social insurance system.

Exchange rate: U.S.\$1.00 equals 1.92 guilders.

One euro equals 2.20 guilders.

Coverage

Old-age and survivor pension: All residents.

Disability pension: Employed workers, unemployed workers, resident persons disabled since childhood and students.

Source of Funds

Insured person: 17.90% of income for old-age, 1.40% for survivor pension, 8.42% for unemployed workers for disability pension.

Low-income persons (8,800 guilders a year) exempted for old-age pension and survivor pension.

Employer: 6.95% fixed plus 0.85% average for disability pension for employed persons. Employer pays supplement of 2.20% earnings up maximum of 83,200 guilders a year to compensate for part of employee's contribution.

Government: Funds needed to bring low benefits up to social minimum (1,684 guilders a month for single persons and 2,324 guilders for a couple). Cost of pensions for those disabled since childhood, and deficit.

Maximum earnings for contribution purposes: 48,175 guilders a year for old-age and survivor program, 310 guilders a day for disability program for employed workers, 84,000 guilders a year for disability program for unemployed workers (minimum earnings 29,000 guilders a year).

Qualifying Conditions

Old-age pension: Age 65. 50 years of residence from age 15 through 64 and, if income earned, contributions paid each year from age 15 through 64, for full pension; otherwise reduced pension (no decrements for pre-1957 period if resident citizen with 6 years of residence after age 59). Two persons sharing a household can qualify for a couple's pension (if both are over 65 or, if under 65, younger partner satisfies income test).

Retirement unnecessary. Payable abroad.

Disability pension: Loss of over 80% of earning capacity in current occupation for full pension, or 15% to 80% for partial pension under system for employed workers, or 25% to 80% for unemployed workers or resident persons disabled since childhood and students.

Survivor pension: Payable to widow, widower, unmarried permanent partner, or full orphan. Income tested, payable to those survivors with gross income below 3,800 guilders; for survivors born before 1950 or with children under age 18, and surviving partner who is 45% disabled.

Old-Age Benefits

Old-age pension: Couple (whether married or not): 1,162.27 guilders a month for each; single, 1,684.70 guilders (2,088.14

guilders if single parent caring for child under 18). Pension reduced by 2% for each unexcused year of noncontribution.

Adjustment: Automatic adjustment of all pensions twice a year for changes in net minimum wages.

Permanent Disability Benefits

Disability pension: For employed workers: Up to 70% of earnings for at least 80% disability and 14% to 50% of earnings for 15% to 80% disability. Maximum earnings, 81,000 guilders a year.

Constant-attendance supplement: 30% of full pension.

Adjustment: Automatic adjustment of all pensions twice a year for changes in minimum wage.

For unemployed workers: Up to 70% of earnings for at least 80% disability and 14% to 50% of earnings for 25% to 80% disability.

Maximum earnings equal minimum wage, 2,350 guilders a month. Constant-attendance supplement: 30% of full pension.

Adjustment: Automatic adjustment of all pensions twice a year for changes in minimum wage.

For resident persons disabled since childhood and students: Up to 70% of minimum wage for at least 80% disability and payments of 14% to 50% of minimum wage for 25% to 80% disability.

Constant-attendance supplement: 30% of full pension.

Adjustment: Automatic adjustment of all pensions twice a year for changes in minimum wage.

Survivor Benefits

Survivor pension: 1,830.02 guilders per month to widow(er) or unmarried permanent partner caring for child under age 18. Benefit reduced by survivor's income from employment that exceed 1,220.53 guilders. Other income to be deducted in full. Dependent child allowance paid until age 18, 406.80 guilders per child with no income test.

Orphans: 585.61 guilders a month for each full orphan under age 10, 878.41 guilders if age 10-16, and 1,171.21 guilders if student and age 16-27 or disabled and age 16-18 when disability pension becomes payable.

Adjustment: Automatic adjustment of all pensions twice a year for changes in net minimum wages.

Death benefit: 100% of earnings up to daily maximum earnings of 310 guilders for employed workers, 100% of earnings up to minimum wage (2,350 guilders a month) for unemployed workers, both payable for one month for death of disabled person. 100% of pension for death and old-age, payable for one month.

Administrative Organization

Board of Supervision of Social Insurance (Ctsv), general supervision of contributions and administration of cash benefits.

Social Insurance Bank (SVB), administration of old-age and survivor pensions.

The National Institute for Social Security (Lisv), the collection of contributions and the execution of the Disablement Benefits Act, the Unemployment Benefits Act and the Sickness Benefits Act. Commissions several administrative bodies, 'social security agencies,' to carry out the actual allocation of the benefits, on a contract basis.

The National Revenue Department, collection of contributions for old-age and survivor pensions and for disability pensions for unemployed workers.

Sickness and Maternity

First law: 1931.

Current laws: 1964 (medical benefits), 1966 (cash benefits for sickness and maternity for wage earners and salaried persons), 1968 (exceptional medical expenses compensation), and 1998 (cash benefits for maternity for unemployed workers).

Type of program: Social insurance system.

Coverage

Medical benefits: Wage earners and salaried employees earning less than 64,300 guilders a year and pensioners. Subject to certain conditions, cover extended to partner and children. Exceptional medical expenses: All residents.

Cash benefits: Sickness and maternity benefits for all wage earners and salaried employees. Effective March 1996, the Sickness Benefits Act is mostly privatized. Under the Civil Code, employers must continue payment of 70% of the wages (wages up to maximum of 310 guilders a day) during employee's sickness for maximum of 52 weeks.

Maternity benefits for unemployed workers payable for 16 weeks.

Source of Funds

Insured person: Flat-rate contribution set by the sickness fund, 1.55% of earnings for medical benefits, and 10.25% for exceptional medical expense insurance. Contribution for sickness and maternity benefits included in contribution for unemployment for employed workers, contribution for maternity benefits included in contribution for disability benefits for unemployed workers.

Employer: 5.85% of payroll for medical benefits. Contribution for sickness and maternity benefits included in contribution for unemployment for employed workers.

Government: Annually determined contribution towards the financing of medical benefits.

Maximum earnings for contribution purposes: Medical benefits, 210 guilders per day; exceptional medical expenses, 48,175 guilders a year; cash sickness benefit and maternity benefits for unemployed workers, 84,000 guilders a year.

Minimum earnings, 29,000 guilders a year.

Qualifying Conditions

Medical benefits: Registration with approved sickness fund.

Sickness benefits: Inability to perform own work.

Maternity benefits: Employed or unemployed person.

Sickness and Maternity Benefits

Sickness benefit: 70% of earnings up to daily maximum earnings of 310 guilders. Payable for up to 52 weeks.

Maternity benefit: 100% of earnings, up to daily maximum of 310 guilders a day, payable during pregnancy, for a total of 16 weeks, and extended up to 52 weeks in case of disability caused by pregnancy or delivery. Maternity benefit for unemployed workers: 100% of earnings with a maximum of the minimum wage (2,350 per month), payable for total of 16 weeks.

Workers' Medical Benefits

Medical benefits: Service benefits provided by doctors, hospitals, and druggists under contract with and paid directly by sickness

funds. Includes general and specialist care, hospitalization, laboratory services, medicines, limited dental care, maternity care, appliances, rehabilitation, and transportation. Specific cost sharing for long-term hospitalization, artificial limbs, and transportation. Maximum duration: No limit (except for physiotherapy). Exceptional medical expenses insurance takes over cost of stay in hospital from 366th day.

Dependents' Medical Benefits

Medical benefits for dependents: Same as for insured person.

Maternity care: Partner and children of insured man receive same nursing or hospitalization benefit as insured woman.

Death benefit: 100% of earnings up to daily maximum of 310 guilders a day, payable for one month.

Administrative Organization

Board of Supervision of Social Insurance (Ctsv), general supervision of cash benefits.

Lisv is responsible for the collection of contributions for medical benefits and administration of cash benefits for sickness and maternity.

National Revenue Department, collection of contributions for cash benefits for maternity for unemployed workers and exceptional medical expenses insurance.

Sickness Funds Council, general supervision of medical benefits and exceptional medical benefits.

Work Injury

First law: 1901.

The provisions of 1966 and 1968 legislation under sickness and disability programs (see above) apply to all incapacities, whether work-connected or not. No specific work-injury insurance since 1967.

Unemployment

First law: 1916 and 1949.

Current laws: 1987.

Type of program: Dual social insurance and unemployment assistance systems.

Coverage

Employed persons. Special system for public employees.

Source of Funds

Insured person: Average of 6.10% of earnings, according to industry.

Employer: Average of 4.00% of payroll, according to industry.

Government: None.

Maximum earnings for contribution and benefit purposes: 310 guilders a day.

Qualifying Conditions

Unemployment benefit: Employed for at least 26 weeks during the 39 weeks immediately prior to becoming unemployed for the 'basic benefit' (6 months); for at least 52 days in 4 of the 5 preceding calendar years for the 'salary-related benefit.' The duration of the

salary related benefit depends on a person's employment record, from 6 months up to 5 years. If unemployed after the salary-related benefit expires, a 'follow-up' benefit provided for an additional 2 years. Periods spent caring for children under age 12 also count (fully or partially) towards qualifying period.

Registered at public labor exchange. Capable of work and available and looking for work.

Unemployment Benefits

Unemployment benefit: basic benefit, 70% of minimum wage.

Salary-related benefit, 70% of last salary with a daily maximum earnings of 310.95 guilders. Follow-up benefit: 70% of the minimum wage.

Administrative Organization

Board of Supervision of Social Insurances (Ctsv),
general supervision.

Lisv is responsible for the collection of contributions and the implementation of the Disablement Benefits Act, the Unemployment Benefits Act, and the Sickness Benefits Act. Commissions several administrative bodies, 'social security agencies,' to carry out the actual allocation of benefits, on a contract basis.

Family Allowances

First law: 1939.

Current law: 1980.

Type of program: Universal system.

Coverage

All residents with 1 or more children.

Source of Funds

Insured person: None.

Employer: None

Government: Whole cost.

Qualifying Conditions

Family allowances: Child must be under age 18.

Family Allowance Benefits

Family allowances: Range from 321.92 guilders per quarter for families with 1 child under 6 years of age to 641.69 guilders per quarter per child for families with 6 children between 12 and 17 years of age.

Adjustment: Twice a year on basis of price index changes.

Administrative Organization

Board of Supervision of Social Insurances, general supervision .
Social Insurance Bank, administration of allowances.